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Chairmen and Committee members,

I oppose SB 257 for the following reasons:

1. A zone could be created with only 50% of the total effected businesses with a **weighted** voting system giving larger businesses more voting power
2. Voting is weighted and not equal for all members of a proposed zone and in decisions here after including a vote to dissolve. One property COULD have up to 24% of the total votes.
THE VOTES of property owners **shall be weighted** in proportion to the amount that the taxable value of their respective real property for the preceding calendar year bears to the taxable value of all assessable property in the zone area. IN no case shall the total number of votes assigned to any 1 property owner be equal to **more than 25%** of the total number of votes eligible to be cast in the election.
3. Expands the power (activities) that a BIZ (Business Improvement Zones) may conduct which is already substantial for many of these tax capture entities.
4. Zones could operate in virtual perpetuity with a **weighted** vote every ten years
5. Unelected boards making decisions that effect local tax payers

My best example on DDA abuse is Lansing Township.

Just look at the recent crisis, the Lansing Township DDA gets all the property tax growth from Eastwood Towne Center while the Lansing Township general fund is basically broke after demolition of two or three GM plants on the west side of the township. Now, the entire township is in the position that it can't secure financing for the renovation of the former Leaseway trucking property on W. St. Joseph because its entire financing capability has been tied up in Eastwood expansion which is happening much, much slower than the township thought.

I live in **Delhi Township** and as for "interesting use" of DDA money, \$246,000 was spend by the DDA for a so called "park" at Holt Rd and Aurelius. The "park" is a small sitting area that no one uses. Another example is about \$50,000 for a feasibility study of turning the old fire station into a senior center, when all it proved was that it was unfeasible.

What this means is that you have an unelected board making major money decisions so that the elected officials can stand in the background and say "wasn't us."

In conclusion we should not be creating and/or expanding these tax capture entities, we should be auditing their use of funds and effectiveness and reforming or if need be eliminating them as a fiduciary duty to the *tax payers of Michigan

***Financing Options for DDA Activities**

- **Tax Increment Financing** (an annual report must

be submitted to the municipality and to the State Tax Commission)

- **Millage** (up to two mills for municipalities with population of less than one million; up to one mill for municipalities with population over one million)
- **Special assessments**
- **Revenue bonds**
- **Revenues** from property owned or leased by the DDA
- **Donations and grants to the authority**
- **Contributions from the local unit of government**

Thank You

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Grassroots in Michigan

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